

DEPARTMENT OF HEALTH SERVICES

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March 30, 1998

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PPL No. 98-011

TCM/MAA

To All County Medi-Cal Administrative Activities (MAA)/
Targeted Case Management (TCM) Coordinators and
Advisory Committee Members

**MEDI-CAL ADMINISTRATIVE ACTIVITIES INVOICE TRAINING QUESTIONS AND
ANSWERS**

Enclosed are responses to questions raised during the MAA Invoice Training conducted on
March 5, 1998, in Sacramento. Please ensure this information is disseminated to all appropriate staff in
your Local Governmental Agency (LGA).

Should you have any questions regarding this PPL, please contact the Administrative Claiming
Unit analyst assigned to your LGA.

Sincerely,

Janet Wilson
Acting Chief
Medi-Cal Benefits Branch

Enclosure

Medi-Cal Administrative Activities:	X
Targeted Case Management:	
Policy Effective Date:	July 1, 1995
Policy Reference:	

cc: See next page.

To All County Medi-Cal Administrative Activities (MAA)/
Targeted Case Management (TCM) Coordinators and
Advisory Committee Members
PPL No. 98-011
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MEDI-CAL ADMINISTRATIVE ACTIVITIES INVOICE TRAINING

March 5, 1998

QUESTIONS AND ANSWERS

1. The LGA has a subcontractor approved to claim Medi-Cal Administrative Activities (MAA) beginning July 1, 1998. However, the subcontractor will be providing Targeted Case Management (TCM) services, instead of MAA, beginning April 1, 1998. What notification to DHS is required?

Generally, it is expected that a claiming unit will claim for each quarter of the fiscal year. If a claiming unit will not be claiming for any quarter after the initial quarter submitted, notification should be sent to the Federal Liaison Unit (FLU).

If a subcontractor elects to not claim MAA in the 4th quarter, an adjustment to the previous quarterly claims for that fiscal year may be required. For example, a contractor may not have recorded federal funds on the Funding Worksheets since the money was not received until the 4th quarter. Not offsetting this funding would result in overstating net costs for the quarters claimed.

When claiming for TCM for the quarter beginning April 1, 1998, the subcontractor will use the rate issued for the program it subcontracts with, and must track all TCM encounters.

2. The LGA has a new approved claiming unit which has two subcontractors. How should the expenditures for these subcontractors be recorded on the Direct Charges Worksheet?

Assuming the contracts are written to specifically identify the MAA performed and the corresponding amount to be paid for the performance of the MAA, the LGA may claim those costs in the Direct Charges Worksheet section of the MAA Invoice. Each subcontractor should be identified on a separate line in Section 3 of the Direct Charges Worksheet section and the cost entered in the "Other Costs" section. In order to claim costs for a subcontractor, the contract must be identified in the approved MAA Claiming Plan.

3. Does travel for the MAA/TCM Coordinator have to be included in the MAA Claiming Plan?

The travel costs for the MAA/TCM Coordinator need not be specifically listed in the MAA Claiming Plan provided the MAA/TCM Coordinator is identified in the Claiming Plan under MAA/TCM Coordination and Claims Administration.

4. How should the Participation Fee be charged?

Only the percentage of the Participation Fee not covering the costs of DHS staff is claimable. The claimable percentage is published each year through a Program Policy Letter (PPL). The claimable percentage for fiscal year 1997/98 will be issued in a soon to be released PPL. The instructions for claiming the claimable portion of the Participation Fee are described in PPL No. 97-020, dated October 3, 1997. The same results may be obtained by entering the entire amount of the Participation Fee in the "Other Costs" column and then entering the claimable percentage in the column entitled "Medi-Cal/Certified Time Factor %". Either methodology will be accepted by the FLU although it is preferred that the instruction in the PPL be followed.

5. Would providing transportation to the hospital for a pregnant woman who is eligible for Medi-Cal, and who is in labor, be claimed as "Non-Medical, Non-Emergency Transportation"?

Non-medical, non-emergency refers to the type of vehicle used to transport a Medi-Cal client to a Medi-Cal covered service, not the emergent nature of the client's medical condition. Non-medical, non-emergency vehicles may include passenger cars, taxis, buses, non-medical vans, etc. Emergency medical transportation includes transportation by ambulance, wheelchair van, litter van, etc. In the above example, the woman in labor would qualify for "emergency medical" transportation. If she was transported by ambulance the cost would be reimbursed via Medi-Cal fee-for-service, not MAA. However, if she was transported by taxi or by county car, at the LGA's expense, the cost would be claimable through MAA.

42 Code of Federal Regulations allows the claiming of non-medical, non-emergency transportation of a Medi-Cal client to a Medi-Cal covered service as a Medi-Cal administrative cost, to the extent that such cost is actually borne by the LGA. The cost of providing such transportation for which no cost is borne by the LGA, i.e., reimbursed via fee-for-service, is not an allowable administrative cost.

For further information regarding the claiming of non-emergency, non-medical transportation as MAA, please refer to PPL No. 97-017 (page 2, question 7), PPL No. 97-010 (page 7, question 25), PPL No. 97-007 (page 4, question 10), and PPL No. 96-024 (question 31).

6. County funds are distributed only once a year. When should those funds be recorded on the Funding Source Worksheet?

Generally, funding should offset corresponding costs. If the claiming unit knows the amount of county General Funds it will receive for the fiscal year, it is acceptable to identify one-fourth (1/4) of the total on each quarterly claim. It is also acceptable to record the entire amount when received. County General Fund dollars are not offset against costs and should be entered in the "not offset" column on the MAA invoice Funding Source Worksheet. PPL No. 98-005, issued March 5, 1998, provides information on recording funding sources (revenue).

7. Do we need to include actual dollar amounts as well as categories when we submit our description of "Other Costs" categories?

No. When submitting a list of "Other Costs", it is acceptable to submit only the categories cost. The description should be general yet specific enough to provide information so the reviewer can verify the costs are claimable. For example, stating "Office Supplies" is sufficient; however, other categories may require more specific detail. For example, listing "Insurance" does not provide enough information since some insurance, such as malpractice insurance, is not claimable. Listing "Equipment" is also too general since equipment for the delivery of medical services is not claimable under MAA.

The actual dollar amount of each category of costs is not required but may be helpful to the reviewer. The FLU reserves the right to request the amounts, if not provided, on a sampling basis.

8. If we have an established departmental overhead percentage rate, do we need to submit a list of the staff classifications included in this rate?

No. If there is an established departmental overhead rate, a list of staff in that rate is not required. However, a listing of staff whose costs are included on the salaries line of Cost Pool 6 must be provided.

9. Does the total revenue included on the Funding (Revenue) Sources Worksheet have to equal the total costs that are on the MAA Detail Invoice?

Yes. The federal government is only willing to reimburse for actual costs; therefore, any expenditure identified must have been paid for with funding from either LGA funds or another source. Generally, revenues should be recorded against corresponding costs for each period. If it is anticipated that revenues will be received at one time for the entire fiscal year, it is reasonable to divide these revenues by four and report a portion on each quarterly claim.

Funding to pay for expenditures which have been paid for with county general funds, but will be later reimbursed from another source, should be listed in the "Not Offset" column under "Other Revenue" and identified as County General Funds. Once the funding is received from the ultimate source, it should be appropriately identified in the period in which it is received. If the claiming unit is subdividing a funding source which is expected later in the year but is to cover costs for the entire year, that funding may be proportionately identified on each quarterly claim. For more information on recording revenue, please refer to PPL No. 98-005, issued March 4, 1998.

10. Our claiming unit is a sub-unit of a larger department. Only the costs of the sub-unit are reported on the MAA Detail Invoice. Which of the department's revenues need to be reported on the Funding (Revenue) Sources Worksheet of the claiming unit's MAA invoice?

The only revenue that should be reported is revenue that supports the costs that are included in the claiming unit's MAA Detail Invoice.

